

Professional Local Reliable

CHANEYS

Chartered Surveyors & Property Managers



Residential Property Management



RICS

The mark of
property professionalism worldwide

About: Chaney's



Chaney's are committed to providing a professional, local and reliable management service to suit our clients



Chaney's is an established firm of Chartered Surveyors, regulated by the Royal Institution of Chartered Surveyors [RICS], whose principal area of activity is in Property Management on behalf of landlords and management companies in the Thames Valley and South East of England area.

In its current guise Chaney's was established in 1996 but the company and name date back to the early 1950's when Henry Chaney started business on the Oxford Road in Reading and rapidly became one of Reading's leading property managers. Now based in Caversham, Reading, Chaney's' management team consists of surveyors, as well as support staff, with many years property management experience. Over the years Chaney's has brought together the management departments of several local surveying practices to provide a comprehensive management service covering residential properties as well as those of blocks of flats and commercial properties.

Chaney's' team will advise genuine prospective landlords as to the rental value of the property and its suitability for letting and will gladly guide you through the letting process of residential property. Our surveyors continually keep up to date with changes in legislation and procedures and are well placed to inform you of any changes which impact on your letting.

The letting of your home or investment property and the choice of managing agent is always a major decision. The success of the letting will depend on the choice of the agent and the way in which a letting is conducted. Ultimately, Chaney's aim is to care for your property as though it were our own. It is important to Chaney's, as it is to you, to make sure that the property is let and managed properly.

What is the RICS?

The RICS – The Royal Institution of Chartered Surveyors – is the pre-eminent organisation of its kind in the world. As the world's leading professional body for qualifications and standards in land, property and construction, it represents everything that is good in the property profession. Operating out of 146 countries, the organisation is supported by an extensive network of regional offices located in every continent around the world.

Charter by Queen Victoria in 1881, the Charter requires the Institution "to maintain and promote the usefulness of the profession for the public advantage." An independent organisation, RICS acts first and foremost in the public interest. They set and regulate the highest standards of competence and integrity among its members, providing impartial, authoritative advice on key issues for business, society and governments worldwide.

Members offer the very best advice on a surprisingly diverse range of land, property, construction and related environmental issues. As part of its role, it helps to set, maintain and regulate standards. As the demand increases for ever more assurance of certified standards and ethics, attaining RICS status is the recognised mark of property professionalism.

What does this mean to you?

A firm that is regulated by RICS has:

- A commitment to professional and technical standards and staff training;
- Professional indemnity insurance cover;
- A complaints handling procedure to answer client complaints;
- Access to independent resolution of complaints where the firm cannot resolve the matter; and
- Rules to ensure that any money held on behalf of clients is held safely and securely. This includes rental payments, service charges and insurance premium money.

RICS' commitment to act in the interests of society in everything it does is the guiding principle that Chaney's seeks to embrace. We are committed to providing a quality service whilst adhering to strict rules and procedures in our approach to property management.

You, as a prospective landlord considering renting your property through Chaney's, may relax in the knowledge that not only will we provide you with the highest level of service but we, and therefore you, will also be under-pinned by an organisation that is the embodiment of justness, guaranteeing that your interests must, and will, always be our prime focus.

Professional Management of your property

Chaney's Service

Chaney's offer a Full Letting and Management service, designed primarily for those who wish to leave everything including all maintenance, rent collection, accounting, supervisory and administrative tasks in our hands.

Once Chaney's are instructed by you we will, on your behalf:

- arrange for your property to be offered either on the internet or by advertising either directly or through one of our affiliations with local sub-agencies. We will proactively keep you informed of all interest and offers we receive;
- select prospective tenants;
- arrange and accompany tenants to viewings;
- on finding a suitable Tenant apply for the relevant financial and personal references, which will be, if required, submitted to you for approval;
- prepare and co-ordinate the signing of the Tenancy Agreement and accompanying documentation including the landlord's tenancy agreement;
- arrange for the registration of deposit;
- ensure that any relevant safety certificates are up to date;
- prepare the inventory – using an independent inventory clerk;
- collect the deposit and first month's rent and make sure the tenancy agreement is signed and witnessed prior to checking in the tenant;
- advise the appropriate Gas, Electricity and Local Authorities of the change of Tenancy and advise the incoming Tenant of the procedure of registering the appropriate services in his/her name. If requested, final accounts for the landlord will be settled from available funds;
- notify the relevant authorities of all Tenants moving into and out of the property;
- prepare and submit monthly rent statements;
- arrange for any repairs or estimates where necessary;
- manage any day to day repair work and associated contractors required for maintenance of the property including payment of contractor's invoices where the management account holds sufficient funds;

- arrange annual gas or other safety checks;
- inspect the property on a periodic basis to make sure the property is being used in the manner according to the Agreement and report findings back to the landlord where appropriate;
- if so instructed, pay all regular outgoings such as service charges, ground rent, maintenance charges etc., on behalf of the Landlord. Where appropriately instructed, pay insurance premiums;
- at the appropriate time serve the relevant notices to terminate a tenancy or deal with any notices received from tenants;
- check-out the tenants – we will produce a schedule of dilapidations, if any, attending to dilapidations where necessary and negotiating with out-going tenants over their cost before agreeing on the level of deposit to be retained.

Variations on the above services can be arranged by agreement depending upon your particular needs and our amended terms for so doing would be set out in writing and agreed with you beforehand.

Buy to Let Service

We will be pleased to advise genuine prospective landlords on available properties, their rental value and suitability for letting purposes as part of our service to buy to let landlords.

Our Charges

Our Full Management service will cost 10% [plus vat] of the gross annual rent or pro rata for the length of the term. This charge is payable on a monthly basis on rent payments received.

In addition we charge £200 [plus vat] for preparing the documentation/tenancy agreement for each new letting. For the renewal or extension of an agreement with an existing Tenant, we charge £100 [plus vat] for preparing the documentation/tenancy agreement.

Any other payments are disbursements and charged at cost such as the preparation of an inventory or its checking, the gas safety check and the like.

Please note that all legitimate costs incurred in the letting of your property may, at the time of writing, be offset against any profit in the calculation of tax liability.



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Local, Reliable

Accounting



Once Chaney's fees and any further deductions have been accounted for, we will pay all remaining rent monies directly into your bank account as soon as possible after the Tenancy has commenced, subject to receipt of the appropriate signed paperwork, banking details and any relevant contractor's invoices. A detailed statement of account will be sent to you showing the rent received and any deductions. This should be kept safely with your records – apart from being a useful record you may need to produce it for tax purposes. Once the tenancy is running you will receive a monthly statement as rent is received along with payment of the balance of rent to you, as you direct.

Please note you may need to allow additional time for money to reach your account around bank and public holidays. The balance of rent can be paid either by cheque accompanying the statement or can be transferred into your account by BACS. In view of the time involved and the changes in the banking system we recommend the latter. Either way you will receive a formal statement from us.

The Deposit and the Tenancy Deposit Scheme (TDS)



The Tenant will be required to pay a deposit equivalent to one and a half month's rent prior to taking occupation of the property, against possible dilapidations, damage and unpaid rent.

For tenancies commencing after April 2007, Landlords, under the Housing Act 2004, now have to register the deposit which is taken at the commencement of the tenancy. This can be done by either registration with a custodial scheme where the deposit is paid to the third party who administer it; or an insured scheme where the deposit is still held by an approved member [the letting agent] who is in turn bound by the rules of the insured scheme. We are approved members of the government Tenancy Deposit Scheme - when we take a deposit we register it with the TDS.

The Tenant Dispute Service provides guidelines for handling the deposit at the end of an agreement. The process is summarised below:

- Aim to tell the tenant what any proposed charges/deductions may be within 10 days of the agreement ending;
- The tenant then has 10 days to dispute the proposed deductions;
- A further 10 days is given to attempt to reach an agreement between the parties;
- If there is no agreement at the end of this time then any disputed deductions are referred to the TDS officers for determination;
- Any undisputed part of the deposit is paid to the appropriate person as soon as the payment is agreed in writing;
- Once the TDS determine the outcome of any dispute the balance held is distributed as per the determination.



Repairs

As part of a full management service we will arrange any maintenance work approved by you which becomes necessary to maintain the property in good order. Unlike some managing agents, we do not charge a premium on contractors' invoices, nor do we charge a premium to contractors to carry out work on the properties we manage. Over the years we have built up connections with a number of good, reliable contractors who we trust to carry out work to a good standard and our clients have some priority on their services.

We try to contact the landlord if an individual job is to cost more than £250, however in an emergency, or in a case of a statutory obligation, we would reserve the right to authorise and arrange essential work to be carried out if we were unable to raise a response from you within a reasonable timeframe.

Refurbishment or major works of repair are outside our normal management duties however we can provide the services of a Building Surveyor to carry out such supervisory or arrangement work if required. Such work would be subject to additional fees which would be agreed in writing with you beforehand depending on the level of work required.

Legal Requirements of the Landlord

Gas Safety



Under the 1994 Gas Safety Regulations, it is a legal requirement that all gas installations and any appliances provided by the landlord are checked annually by a Gas Safe registered engineer on an annual basis. We will arrange the safety check on your behalf and the cost of this will be deducted from the monthly rental received. A certificate will be provided to show compliance with these regulations. Any appliance that fails this inspection either before or during a Tenancy will be disconnected until repaired or even replaced. Where gas is provided we will not commence a Tenancy without a current Gas Safety Certificate. If the landlord provides heating and hot water as part of the tenancy he has a statutory obligation to maintain it.

The statutory Safety Check does not include servicing or repairs. We would recommend that all gas appliances, especially boilers, are serviced at regular intervals and certainly before letting the property. Apart from maintaining their efficiency, in our experience, this reduces maintenance bills in the long term. Operating manuals and guarantees for all appliances should be made available if applicable and we recommend having a "House File" which includes items such as this.

Electrical Safety



Although at this time electrical safety checks are not mandatory by law, we prefer that any property managed by us is covered by a current electrical safety certificate. We can arrange an inspection and normal remedial work by a qualified electrician prior to the commencement of the Tenancy [and annually] on your behalf.

The recommended method of ensuring that the electrical installation is safe is to obtain a periodic Inspection Report for an Electrical Installation from a contractor who is approved by the NICEIC.

Other Safety Precautions

Smoke alarms, a fire blanket in the kitchen and fire extinguishers are all sensible requirements and we recommend that they are made available.

Let properties should be safe and operable and provision should be made for the tenant to be accommodated in this way. In the event that we are instructed to let and manage your property we will make a formal inspection prior to letting when we will discuss all such matters with you.

Our Recommendations and Your Responsibilities

Mortgages



If the property is subject to a mortgage, then almost certainly there will be a clause in the mortgage deed which will say that you are not to let without the consent of the mortgagee [lender]. If you apply for consent to letting it is possible that any of the following conditions, or a combination thereof, may be imposed:

- Mortgagees prefer that properties are let out of necessity rather than for convenience;
- Consent to letting will probably only be given subject to a mortgage account being previously conducted in a satisfactory manner;
- Sometimes a limit to the length of time which a property can be let can be imposed;
- The mortgagor [borrower] may have to pay an administration fee;
- In some cases depending on the length of letting, the mortgagees may insist that the terms of the mortgage are altered [possibly to a buy to let mortgage] which may incur higher rates of interest.

It is unwise to let your property without the consent of your building society and before having taken appropriate legal advice. Chaney's cannot be held responsible for any circumstances arising from your failure to notify or obtain the consent of your mortgagee[s].

Tax



It is necessary to prepare accounts for each property. Many costs incurred by your letting can be offset against your tax liability, for example, mortgage interest, repairs, management fees, etc. We can recommend accountants who will deal with this for you should you so wish.

The Taxes Management Act 1970 - If the Landlord is resident abroad, as of the 6th April 1996 the Letting Agent is required to deduct tax from the Landlord's UK rental income and pay the tax to the Inland Revenue on a quarterly basis, i.e., each 3 month period ending on 30th June, 30th September, 31st December and 31st March.

The Landlord can apply to become part of the Non-Residents Landlord Scheme [FC10] to receive the UK rental income without having tax deducted by completing an NRL1, and forwarding this to the Inland Revenue. We will be happy to provide you with further details of this if required.

Insurance



The landlord is responsible for buildings insurance and if the property is let furnished then contents insurance as well; the tenant is responsible for the insurance of their own contents and effects.

The amount of cover offered by the policies must be adequate for the risk involved. A number of insurance companies vary cover when the property is being let and it may mean taking out a new policy to safeguard your liability.

Some insurance companies may require being informed that the property is let and also wish to see details of each and every Tenancy Agreement. If they are not informed it might invalidate a claim if made during a tenancy. It is your responsibility to inform your insurers and to make sure that the cover you hold is adequate for the risks involved. We cannot be held responsible for any circumstances arising from your failure to do so at any time.

Flats and leasehold properties.



It is not unusual for leases of flats [or indeed other leasehold property] to contain a clause requiring owners of such property to obtain formal consent from either the residents management company or the freeholder [or both] when letting. Often this is simply a formality however failure to do so if required may in fact be a breach of the lease. Chaney's are more than happy to help organise such consents, whether or not they manage the block, and make no charge [other than disbursements if any] for doing so.

What is essential is that any tenancy agreement an owner of a leasehold property enters into when letting should include all the relevant provisions of the head lease to ensure that a shorthold tenant is bound by the same terms as the owner. Subject to receiving a copy of the head lease [where we are not the managing agents of the block] we will ensure that these terms are included in the assured shorthold tenancy agreement. We cannot be held responsible for any circumstances arising from your failure to notify or obtain the consent of your freeholders or residents' management company.

Utilities

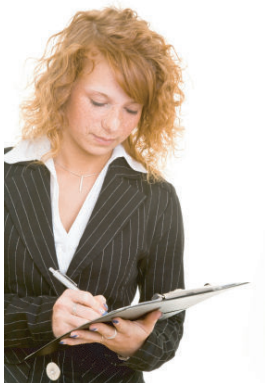


The responsibility for payment of services supplied to the house such as gas, electricity, telephone, etc., is that of the consumer. When new tenants move in we contact the service providers for gas, electricity, water and the local authority to inform them of the new occupants and to give forwarding addresses where appropriate of the old occupiers.

At certain times of the year when the property may not be occupied, it may become necessary to drain down the water and central heating system. Where this becomes necessary we can instruct a contractor to do this at an additional cost.

Sometimes tenants leave a house early pending the agreement coming to an end. Although every reasonable step will be taken to ensure that the property is secure we cannot accept responsibility for any damage that may occur in this type of situation. It would be your responsibility to inform the insurance company of such changes and to ensure compliance with any conditions they may impose.

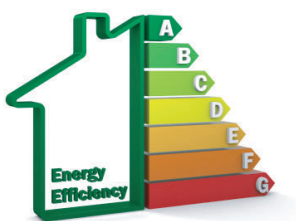
Contents & Inventory



In line with the Tenancy Deposit Scheme legislation introduced on April 6th 2007, a new or revised inventory will need to be produced at each change of Tenancy to ensure an accurate record of the property's condition and contents at the start of the term. We use an independent inventory clerk to prepare the inventory and carry out the check in by appointment, where the tenants sign to show they have agreed to the inventory as an accurate record of the condition at the commencement of the tenancy. Preparing an inventory is a disbursement at the expense of the Landlord at a cost of between £70.00 - £120.00 [plus vat], depending on the size of the property and the level of furnishing.

There is usually a charge for checking in and out the Tenant at the beginning and end of each Tenancy for which the Landlord is responsible. Again this is a disbursement at cost and it depends on the size and level of furnishing however it is normally £70.00 - £80.00 [plus vat]. The inventory is also used at the end of the tenancy to decide on the level of dilapidations which may have occurred. The check-out is also carried out by the independent inventory clerk which we consider to be best practice in case there is a dispute over the deposit, if the parties cannot agree charges then the dispute has to be referred to third party determination.

Energy Performance Certificates



As of 1st October, 2008, Government legislation required all residential and commercial properties which are offered for let for rental purposes to have an Energy Performance Certificate [which has to be attached to the tenancy agreement]. The certificate is valid for 10 years and we currently use a number of different agencies qualified to produce these certificates. Again this is a disbursement at a cost currently somewhere in the region of £70 inclusive of vat [depending on the size of the property].

Fire and Smoke Alarms



New homes built after 1992 are required to have mains operated smoke alarm installed. On pre 1992 buildings there is no legal requirement but it is our recommendation that at least one smoke alarm per floor is provided. Please see our earlier comments concerning other fire safety equipment.

Where properties are to be let furnished, all furnishings are to comply with the 1988 Fire Regulations Act which became law from March 1993. In simple terms all flammable materials such as sofas, beds, mattresses, etc, have to be fire safe. Failure to comply with such regulations carries a heavy penalty of £5,000 or the possibility of a six month prison sentence.

Post

If you have occupied the house which is to be let please ensure that you have your mail redirected to your new address.

Contractors



When applicable we will instruct contractors known to us except where we are asked by the Landlord to use specific companies. It is important that we are made aware of any appliances which are still under guarantee and given the appropriate contact information. British Gas boiler maintenance cover does not always automatically include a Landlord's Gas Safety Certificate. If you have this cover please make sure that you arrange with them to have this added to your policy.

Gardeners and Cleaners

We assume that the property will be in a clean and tidy state prior to letting. If it is not it may be necessary to use the services of a gardener or a cleaner between lettings of the property. Should the property not be left in a similar condition at the end of the tenancy, then the cost of cleaning to an acceptable level and ensuring that the garden is again in a manageable state will be charged back to the tenants as part of any dilapidations claim.

Garden



The gardens should be left tidy and if the Tenant is required to maintain the gardens, the appropriate equipment must be provided. If any electrical equipment is to be provided, a power breaker must also be made available. In the case of larger gardens it may be sensible to include the services of a gardener with the rent. We can recommend local contract gardeners who provide such services.

General Outgoings

The Landlord is usually responsible for the Ground Rent and any Service Charges, and the maintenance of the property.

Absentee Landlords

Should you be out of the Country prior to the finalisation of the Tenancy Agreement, arrangements should be made for signing on your behalf.

Money Laundering

UK money laundering regulations may require us to make checks on the identity of new clients. Whilst this may appear an affront to some client's dignity it may be a necessity imposed on us by legislation. For new personal clients the sort of identity required may be sight of a passport and one or two utility bills, for corporate clients the identification required may be sight of a certificate of incorporation, a list of directors and the registered office address.

For those many clients for whom we have acted quite happily for thirty years or more, nothing very much will change and, hopefully, you will trust us as much as you have done in the past. For new clients these measures are put in place for your protection – should you need it – and we trust will not prejudice our working relationship with you as managing Surveyors.

Furnished or Unfurnished?

What is expected in an unfurnished property?

Unfurnished properties should comprise at least of:

- Oven and Hob
- Fridge/Freezer
- Carpets
- Curtains
- Light Fittings
- Dishwasher [not essential]
- All usual fixtures and fittings such as central heating appliances, bathroom and sanitary fittings, kitchen units etc

Where washing machines, fridges or cookers are supplied as part of the letting their repair is the landlord's responsibility.

What is expected in a furnished property?

As well as all usual fixtures and fittings, fully furnished properties might also comprise of:-

Kitchen-

- Oven and Hob
- Crockery
- Cutlery
- Saucepans
- Dustpans and brush
- Iron and ironing board
- Vacuum cleaner
- Kettle

Living Area-

- Lounge suite
- Dining Table and Chairs

Bedrooms-

- Wardrobe
- Bed and Mattress
- Bed linen

Bathroom-

- Towel rail
- Lavatory roll holder

Outside-

- Gardening tools
- Outside store

We recommend that anything of sentimental or particularly intrinsic value is removed from the property prior to letting.



What type of tenancy will it be?



Although we manage many different types of tenancy the most likely tenancy of your property will be an Assured Shorthold Tenancy.

When you let your property to a tenant, subject to certain conditions, the tenancy is automatically an Assured Shorthold Tenancy where the annual rent is less than £25,000pa [unless you agree otherwise in writing] under the Housing Act 1988.

The minimum term which can be granted for an AST is for a term of 6 months, only after this term could the landlord regain possession. If a fixed term has been agreed for longer, then the landlord will not be able to regain possession before the end of the term without proving certain grounds to the court. You can apply to the court to regain possession of your property if your tenant owes you at least 2 months or 8 weeks rent, after having provided the appropriate notice.

Common Law Tenancy

Where rents exceed £25,000 per annum a Common Law Tenancy is created. This tenancy falls outside of the scope of the statutory rules and the tenant's rights are mainly dependent on the terms of the agreement and therefore similar to commercial leases. They are contractual as opposed to being regulated by parliamentary law.

For further information on letting your property and our full terms of agency, please contact:

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